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FM AMEMBASSY JAKARTA
TO RUEHC/SECSTATE WASHDC IMMEDIATE 3772
INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS IMMEDIATE
RUEHJA/ISLAMIC CONFERENCE COLLECTIVE IMMEDIATE
RUEHBY/AMEMBASSY CANBERRA IMMEDIATE 9399
RUEHWL/AMEMBASSY WELLINGTON IMMEDIATE 0789
RUEHLO/AMEMBASSY LONDON IMMEDIATE 0703
RUEHFR/AMEMBASSY PARIS IMMEDIATE 0849
RUEHMO/AMEMBASSY MOSCOW IMMEDIATE 0379
RUEHBJ/AMEMBASSY BEIJING IMMEDIATE 3404
RUEHUNV/USMISSION UNVIE VIENNA IMMEDIATE 0066
RUCNDT/USMISSION USUN NEW YORK IMMEDIATE 0428
RHEHNSC/NSC WASHDC IMMEDIATE
RHMFISS/DEPT OF ENERGY WASHINGTON DC IMMEDIATE
RHHMUNA/USCINCPAC HONOLULU HI IMMEDIATE
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C O N F I D E N T I A L SECTION 01 OF 02 JAKARTA 005703

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TAGS: [PREL](#) [PGOV](#) [KNNP](#) [ENRG](#) [EMIN](#) [IR](#) [ID](#)

SUBJECT: IRANIAN PRESIDENT'S ENGAGEMENT WITH INDONESIAN
LEGISLATURE

Classified By: Ambassador B. Lynn Pascoe, reason: 1.4 (b) and (d).

SUMMARY

11. (C) House of Representatives Chairman Agung Laksono plans to engage in a friendly manner with Iranian President Ahmadi-Nejad during Ahmadi-Nejad's upcoming visit, according to one of Agung's closest associates. Agung's positive view of the Iranians appears to stem at least in part from his personal experience visiting Iran earlier this year, and it reflects a general sympathy among legislators for the Iranian position, based both on religious and economic ties. Our contact said Agung's position on Iran has in the past been coordinated with President Yudhoyono. He also indicated that Agung or someone close to him sought to broker a sale of low quality Indonesian uranium to the Iranians. In addition to encouraging in general terms pressure on the Iranians to suspend illegitimate activities, we discouraged in the strongest possible terms any nuclear cooperation with Iran, and our contact promised to relay our views to Agung. End Summary.

DISCOURAGING ILLEGITIMATE NUCLEAR ACTIVITIES

12. (C) Poloff met on May 5 with Dave Laksono, the son and right-hand political operative of House of Representatives Chairman Agung Laksono. We noted the need for Iran to suspend its enrichment-related and reprocessing activities, and to provide full cooperation as requested by the IAEA. We urged that the international community speak with one voice on the subject and requested that Agung avoid making any public statements undermining the international effort to place pressure on Iran. We requested that Agung press Iran to implement the IAEA Board of Governors resolutions and the March 29 UNSC presidential statement, and we noted that the international community should actively consider use of diplomatic, financial, and other levers on Iran.

13. (C) Dave confirmed the report from another contact that Agung sought to engage with Iranian President Ahmadi-Nejad during the upcoming visit to Indonesia. (Our other contact told us that, as of May 4, Agung planned to meet with Foreign

Minister Wirajuda to discuss Ahmadi-Nejad's schedule.)
Admitting he did not know the schedule for the visit, Dave speculated Ahmadi-Nejad would make office calls on Agung, on People's Consultative Assembly (MPR) Chairman Hidayat Nur Wahid, and on House of Regional Representatives Chairman Ginandjar Kartasasmita. He was unaware of any plan for broader engagement by Ahmadi-Nejad with the Indonesian legislature (e.g., a reception or formal appearance in a plenary hall). (Note: On the afternoon of May 5, Ginandjar told us he had no plan to meet with Ahmadi-Nejad. End Note.)

14. (C) Dave predicted with confidence that Agung would support Iran's position in the ongoing nuclear debate, so long as the Iranians were engaged in research for peaceful purposes. Because high energy prices were hurting Indonesia's economy, the DPR and the GOI saw nuclear power as one tool to use to improve economic conditions, and they would be reluctant to condemn any research that was plausibly presented as focused on energy generation. He noted that, during a visit to Iran (paid for by the Iranian government) in early 2006, Agung had toured an Iranian nuclear facility and left favorably impressed; he opined that it would be natural for the Ahmadi-Nejad to tour Indonesian nuclear facilities during the upcoming visit. (Comment: We have been chasing a rumor within the diplomatic circuit of such a planned visit, but our contacts within the Indonesian nuclear establishment have told us that they know of no such plans.)

DPR SYMPATHETIC TOWARD IRAN

15. (C) If forced to choose sides between Iran and the United States, Indonesia's House of Representatives would clearly support Iran, Dave speculated. He said the Islamic parties

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-- which make up between 21 and 40 percent of the House, depending on how high one sets the bar for this category -- would jump to Iran's side "in a heartbeat." Even the more secular political parties would be split at best, believing that Iran was better positioned to provide Indonesia with concrete benefits, such as trade and investment. (Comment: Dave's perception of benefits flowing from Iran may not be supported by economic data, but could flow from either the Iranian style of doing business or a perception that the Iranian government has more control over Iranian businesses than the U.S. government has over the activities of American firms. Iranian lobbying over the last six months has been helpful for them as well. Earlier this year, a legislator told us there was a perception among Indonesians that the Iranians would need to move their funds from Western banks, in order to avoid an asset freeze, and there was hope some of this capital would be directed toward Indonesia. End Comment.)

URANIUM SALE CONSIDERED

16. (C) We asked about reports, from another contact, that Agung, in his early 2006 trip to Iran, had discussed a possible sale to Iran of Indonesian uranium. Dave said that report was true, and the subject might well arise again during the upcoming visit of Ahmadi-Nejad. He indicated that Agung or someone close to him was hoping to act as a broker for this deal, and he noted as a mitigating factor that the unprocessed uranium ore in question would require significant processing in order to be of use for any purpose; he clearly believed such a sale would not enhance Iran's ability to make fuel for nuclear weapons. (Note: The precise modalities of any such deal remain extremely unclear to us, but Dave indicated the uranium in question was controlled by Indonesia's National Nuclear Energy Agency - BATAN. Indonesia currently plans to use imported uranium for its own (eventual) nuclear power plants, and we surmise that any Indonesian uranium reserves would be of extremely low quality. We will seek further information from BATAN

contacts on whether such talk has any basis.)

17. (C) We emphasized to Dave in the strongest possible terms that Indonesia should avoid any appearance of nuclear cooperation with Iran, and that such cooperation would be extremely damaging to the U.S.-Indonesian bilateral relationship. Dave took this message on board and promised to relay it later on the evening of May 5 to Agung.

IRAN POSITION COORDINATED WITH YUDHOYONO

18. (C) Dave claimed that Agung had coordinated his position on Iran with President Yudhoyono in advance of the early 2006 trip to Iran, and Agung's position presumably would remain consistent with Yudhoyono's. (Note: Another contact close to Agung had told us in February that, energy aside, Agung also wanted to establish closer cooperation between the DPR and the Iranian legislature. End Note.)

COMMENT

19. (C) We do not doubt that a majority of Indonesian legislators are sympathetic toward Iran in the ongoing dispute over Iran's nuclear policy. We will continue to try to identify those who may be involved in the upcoming visit and enlighten them on our concerns.
PASCOE